

Allison Billodeau

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Sent: Tuesday, March 14, 2017 1:40 PM
To: Allison Billodeau
Cc: Crawford,Kara (HHSC)
Subject: FW: AP Story - Heidi Group

FYI

Kelly Garcia
Government and Stakeholder Relations, HHSC

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Subject: AP Story - Heidi Group

Get by without Planned Parenthood? One Texas effort stumbles

By PAUL J. WEBER, Associated Press

AUSTIN, Texas (AP) — In pushing a replacement for the Affordable Care Act that cuts off funds for Planned Parenthood, Republicans are out to reassure women who rely on the major health care organization that other clinics will step up to provide their low-cost breast exams, contraception and cancer screenings.

Texas is already trying to prove it. But one big bet is quietly sputtering, and in danger of teaching the opposite lesson conservatives are after.

Last summer, Texas gave \$1.6 million to an anti-abortion organization called the Heidi Group to help strengthen small clinics that specialize in women's health like Planned Parenthood but don't offer abortions. The goal was to help the clinics boost their patient rolls and show there would be no gap in services if the nation's largest abortion provider had to scale back.

The effort offered a model other conservative states could follow if Republicans make their long-sought dream of defunding Planned Parenthood a reality under President Donald Trump. Several states are already moving to curtail the organization's funds.

But eight months later, the Heidi Group has little to show for its work. An Associated Press review found the nonprofit has done little of the outreach it promised, such as helping clinics promote their services on Facebook, or airing public service announcements. It hasn't made

good on plans to establish a 1-800 number to help women find providers or ensure that all clinics have updated websites.

Neither the group nor state officials would say how many patients have been served so far by the private clinics.

The Heidi Group is led by Carol Everett, a prominent anti-abortion activist and influential conservative force in the Texas Legislature.

In a brief interview, Everett said some of the community clinics aren't cooperating despite her best efforts to attract more clients.

"We worked on one Facebook site for three months and they didn't want to do it. And we worked on websites and they didn't want to do it," Everett said of the clinics. "We can't force them. We're not forcing them."

Everett said that advertising she planned was stalled by delays in a separate \$5.1 million family planning contract.

Everett proposed helping two dozen selected clinics serve 50,000 women overall in a year, more than such small facilities would normally handle. Clinic officials contacted by the AP either did not return phone calls or would not speak on the record.

The Texas Health and Human Services Commission, which awarded the funding to the Heidi Group, acknowledged the problems. Spokeswoman Carrie Williams said in an email that the agency had to provide "quite a bit" of technical support for the effort and make many site visits. She disputed that the contract funding has been as slow as Everett alleged.

"The bottom line is that we are holding our contractors accountable, and will do everything we can to help them make themselves successful," she said.

In August, the state had lauded Everett's pitch for taxpayer funds as "one of the most robust" received.

Planned Parenthood and its supporters say the failures show the risks of relying on unproven providers to serve low-income women, and that Republicans' assurances about adequate care are only political rhetoric.

"Every time they try to relaunch one of these women's health programs, without some of the most trusted providers in women's health, every single time they come up short," said Sarah Wheat, a Planned Parenthood spokeswoman in Texas. "And they show their lack of understanding and respect for what women need."

On Tuesday, the nonpartisan Congressional Budget Office estimated that 15 percent of low-income people in rural or underserved areas would lose access to care if Planned Parenthood loses funding. The analysis also projected several thousand more births in the Medicaid program in the next year.

The Heidi Group is an evangelical nonprofit that started in the 1990s and is best known for promoting alternatives to abortion. It operates with a relatively small budget, taking in about

\$186,000 in grants and donations in 2015, according to tax records, and had not been doing patient care.

State officials say the year-old women's health program includes about 5,000 providers. Planned Parenthood and other abortion providers are banned from participation.

Federal dollars comprise nearly half of the Planned Parenthood's annual billion-dollar budget, and although government funds don't pay for abortions, the organization is reimbursed by Medicaid for non-abortion services that it says the vast majority of clients receive. Missouri is planning to reject federal funding just to keep some of it away from Planned Parenthood, and Iowa is also considering giving up millions in federal Medicaid dollars to create a state-run family planning program that excludes abortion providers.

U.S. House Republicans' health care bill would freeze funding to Planned Parenthood for one year. House Speaker Paul Ryan has suggested other clinics will pick up the slack.

"It ends funding to Planned Parenthood and sends money to community centers," Ryan said last week.

Democrats argue that other clinics are already overloaded and wouldn't be able to meet increased demand.

After Texas state funding was cut off to abortion providers in 2011, 82 family planning clinics closed in the state, a third of which were Planned Parenthood affiliates. A state report later found that 30,000 fewer women were served through a Texas women's health program after the changes. Planned Parenthood now has 35 clinics in Texas and served more than 126,000 individual patients last year, including those seeking abortions. The state has provided no estimates of low-income women served by other clinics.

Asked whether the Heidi Group would meet the patient targets in her contract, Everett said her own goal was to serve 70,000 women.

However, "it's not as easy as it looks because we are not Planned Parenthood. We are working with private physicians and providers," Everett said after leaving a committee hearing this week at the Texas Capitol. She said the clinics she is working with are busy seeing 40 to 50 women a day. "They don't have time to go out and do some of the things that we would really like to help them do. But we're there if they want to. And we're there when they need it. And we're in their offices and we're helping them."

She had been at the Capitol to support a bill that would require abortion clinics to bury or cremate fetal remains.

Preston Streufert

From: Kathryn Hendrix
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From: Garcia,Kelly (HHSC) [mailto:Kelly.Garcia@hhsc.state.tx.us]
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Subject: Media Contact: The Heidi Group

Please find the following update from our press team. As always, let me know if you have any questions.

Media Contact: Heidi Group

Associated Press
Paul Weber

A story may post this weekend about the Heidi Group and its ability to serve women through our Healthy Texas Women program. We wrapped up this morning with the reporter. The line of questioning seems to raise issue with various aspects of outreach and clients served by Heidi Group and its subcontractors. We answered questions and provided more than 100 documents/emails via his Public Information Act request for all correspondence with HHSC to and from Carol Everett, founder of the Heidi Group, as well as representatives of her subcontracting clinics in the Healthy Texas Women program.

The documents show several behind-the-scenes issues the Heidi Group was having managing at least subcontractor (which ultimately concluded with the HG severing ties due to "distrust" with the subcontractor). Through the documents, the subcontractor alleges that the HG doesn't understand how to operate the HTW program. The documents also show that HG did not have pharmacy licenses at roughly 20 of its provider sites, but that a waiver was in the works. The reporter has not asked about this; the subcontractors must have the license or the waiver to meet our standards.

The reporter explained to me that Ms. Everett did not return his phone calls and emails for his story, but he caught her at a hearing downtown this week about a fetal tissue bill. He recorded her saying that the state is "not doing what they say they are, and I can't

perform if I don't have it" and that there were notification issues on the state's part with regard to contracts.

I explained that, regarding those comments, HG would really need to articulate what they were referring to specifically. If there is problem, it should be raised to us directly. I provided some background about timing and funding:

Background About Timing

There is an application, some back and forth communication, and the contractor get a pre-packet they have to review, and then there is more communication before its ultimately finalized and signed.

For HTW: HG received notification June 10 for its \$1.6M HTW contract with us. HG has had the fully executed contract since July 15.

For FP: HG's contract for family planning was fully executed effective Jan. 5, for \$5.1M, and formal notification went out Feb. 1. That said, had been working with all potential FP contractors since last summer to walk them through this new program/process.

Background About Funding

For HTW, our contractors draw down as they go (not funds in advance). We determine if the charges are eligible and then reimburse. (Family Planning works a little differently, but the reporter's questions were focused on HTW.)

In response to other questions, we explained:

- There has been much back and forth to support and answer answers. We are doing quite a bit of technical support, including site visits, with the Heidi Group to help ensure this new contractor has what it needs to provide services and succeed as part of our program.
- Our contractors need to reach out to us immediately if they have questions or problems. We're standing by to help, and no one wants our providers to be successful more than we do.
- Our women's health programs were redesigned to better serve Texas, and there is a slight learning curve for everyone. For Heidi Group, they're a new contractor for us for there are understandably going to be some questions. We stay in good communication with all of our contractors and we are here to help.
- We're very carefully monitoring this and are staying on top of all our contractors' performance. Providing services to women is our central focus and we're using all of our energy and oversight abilities to help our contractors have success.
- The bottom line is that we are holding our contractors accountable, and will do everything we can to help them make themselves successful. We'll be watching this closely, particularly as we get closer to the end of the contract cycle.

The reporter also asked why the HG is subcontracting with Rio Grande Women's Clinics, a robust/established chain, even though the HG's objective has been to assist small clinics and build a network of smaller providers all over the state. We referred those questions to the HG and Rio Grande.

He also asked about outreach through Facebook, health fairs and an 800 number. He says that HG has not met its objectives to conduct outreach. We explained that we share outreach materials for contractors to use and our main focus has been providing technical assistance for contractors as they get their clinics up and running.

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